



PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

EMPLOYMENT TRENDS

The Panhandle's seasonally adjusted unemployment rate rose from 5.9 percent in May to 6.9 percent in June, not because the economy slowed down, but because the booming economy has encouraged so many people to join the labor force. During the troubled economic times that began in late 2000 and continued until last summer, many Panhandle residents who lost jobs gave up looking for work. Because these *discouraged workers* were not actively seeking work, they were classified as *not in the labor force* instead of *unemployed*. Now that these people see many job opportunities becoming available, they have returned to the labor market. Also adding to the labor market are many families attracted by the Panhandle lifestyle and potential jobs who moved here from other parts of the U.S. in June as soon as their children were out of school. In addition, growing job opportunities have encouraged more teens to look for work this summer than during the previous two summers. Until the formerly discouraged workers, new residents, and teenagers find jobs, they are counted as unemployed. This "encouraged worker effect" is not unusual in an economic resurgence, and actually is a good, albeit confusing, sign.

Clearer signs of economic growth are the 4.9 percent increase in *Total Employment*—the number of residents working for pay or profit—between June 2003 and June 2004, and the drop in the unemployment rate from 8.1 percent to 6.9 percent in the same period. Adding to the picture of glowing economic health is the 3.9 percent growth in *Total Nonfarm Payroll Jobs*. Panhandle Table 1 shows that every industrial sector added jobs. All five Panhandle counties are sharing in the economic growth brought by booming real estate markets, record construction levels, improved outlooks for mining and lumber, surging tourism, growing call centers, recovering manufacturing sectors, and the effects of rising incomes on retail and services sectors.

Panhandle Table 1: Labor Force & Employment

	Jun 2004*	May 2004	Jun 2003	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	96,050	94,520	92,720	1.6	3.6
Unemployed	6,650	5,590	7,520	19.0	-11.6
% of Labor Force Unemployed	6.9	5.9	8.1		
Total Employment	89,400	88,930	85,200	0.5	4.9
Unadjusted					
Civilian Labor Force	97,360	94,570	93,790	3.0	3.8
Unemployed	5,420	5,460	6,160	-0.7	-12.0
% of Labor Force Unemployed	5.6	5.8	6.6		
Total Employment	91,940	89,110	87,630	3.2	4.9
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs** - NAICS	74,090	72,240	71,320	2.6	3.9
Goods-Producing Industries	13,960	13,350	13,620	4.6	2.5
Natural Resources & Mining	1,460	1,300	1,440	12.3	1.4
Construction	5,310	4,950	5,060	7.3	4.9
Manufacturing	7,190	7,100	7,120	1.3	1.0
Wood Product Manufacturing	2,730	2,720	2,800	0.4	-2.5
Other Manufacturing	4,460	4,380	4,320	1.8	3.2
Service-Providing Industries	60,130	58,890	57,700	2.1	4.2
Trade, Transportation, & Utilities	14,030	13,970	13,420	0.4	4.5
Wholesale Trade	1,400	1,400	1,410	0.0	-0.7
Retail Trade	10,880	10,860	10,320	0.2	5.4
Utilities	400	400	390	0.0	2.6
Transportation & Warehousing	1,350	1,310	1,300	3.1	3.8
Information	1,350	1,340	1,110	0.7	21.6
Financial Activities	3,160	3,130	2,920	1.0	8.2
Professional & Business Services	6,880	6,780	6,680	1.5	3.0
Educational & Health Services	7,140	7,140	6,850	0.0	4.2
Leisure & Hospitality	9,990	9,030	9,560	10.6	4.5
Other Services	2,340	2,310	2,260	1.3	3.5
Government Education	5,010	5,340	4,890	-6.2	2.5
Government Administration	8,960	8,650	8,820	3.6	1.6
Government Tribes	1,270	1,200	1,190	5.8	6.7

* Preliminary estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

AREA DEVELOPMENTS

Benewah County

- The Coeur d'Alene Tribal Housing Authority recently broke ground on a \$2.5 million apartment complex in Plummer for elderly and disabled tribal members. Funded by a grant from the U.S. Department of Housing and Urban Development, the 20,000-square-foot building will include 20 apartments. The apartment complex on the north end of Plummer will be only half a mile away from the tribe's Benewah Medical and Wellness Center.
- The newly renovated Fort Hemenway Manor celebrated its grand opening July 31. Owned by Gigi Babeaux and Deborah Moskovitz, the bed and breakfast is in a 100-year-old house at 1001 West Jefferson

Avenue in St. Maries and offers four guest rooms. The phone number is (208) 245-7979.

Bonner County

- Hidden Lakes Golf Resort, eight miles east of Sandpoint, has \$100 million worth of long-term plans including hundreds of new housing units, a 200-slip marina and yacht club on Lake Pend Oreille, an equestrian center, a spa, and convention facilities. It hopes to become to Lake Pend Oreille what the Coeur d'Alene Resort is to Lake Coeur d'Alene. Hidden Lakes already has 171 home sites platted around the golf course. With the real estate market in Sandpoint at a historic high, there is strong demand for second homes, retirement homes, and investment properties. This summer Hidden Lakes is constructing a 36-unit condo development near its clubhouse, and has begun discussions with Bonner County Planning on a planned unit development.
- Hopes are even higher these days at the Hi Hopes Café & Market, the historic general store in downtown Hope on the north shore of Lake Pend Oreille. In April, Christine Holbert, owner of Lost Horse Press in Sandpoint, and Kally Thurman, an artist and art dealer, bought one-and-a-half acres of property including the market (founded in 1939), the Hope post office, and four vintage cabins. They plan to transform the area into a haven for artists and writers.

Lost Horse Press, established by Holbert in 1999, is a nonprofit independent press that publishes poetry, fiction, and creative nonfiction titles of high literary merit. The press frequently sponsors writer workshops attracting about 75 people each, and Holbert had been looking for an ideal place to hold them. Another advantage of the location is the proximity of another revitalized landmark, the Hotel Hope, where workshop participants can stay. A building to house the workshop and a stage for authors, poets, musicians, and performance artists is under construction behind the old market. Thurman plans to open a fine art gallery there and will sponsor art classes and workshops. The café will continue to serve light meals, desserts, and coffee to drop-by customers, but also will provide meals for the workshops.

According to the U.S. Census Bureau, in 2003, 83 people lived in Hope, which is 12 miles southeast of Sandpoint on Highway 200, and 212 people lived in East Hope, immediately to the east.

- Jack Donais recently opened Bordertown Feed on Highway 2 in Priest River. As well as selling feed for pets and hoses, the store sells fencing, saddles, horse tack, and buffalo meat.

Boundary County

- This fall, the Kootenai Tribe will break ground on a major addition on Kootenai River Inn and Casino, its 65-room hotel and 400-machine gaming casino in Bonners Ferry. When the addition is completed next fall, it will provide 300 seats in two dining rooms and 50 seats in a smaller meeting room, allowing the inn to host larger conferences. The addition will feature a sculpted river flowing across a vaulted ceiling that ends in a live waterfall. The tribe renovated the hotel rooms last winter. The Kootenai River Inn and Casino, managed by Hagadone Hospitality, employs more than 150 people.
- On July 24, Bonners Ferry celebrated completion of its downtown revitalization project that included new sidewalks, lighting, signage, and landscaping. Later this year, construction will begin on a pedestrian underpass under Highway 95 that will link the Kootenai River Inn to downtown Bonners Ferry.
- It's no joke. Boundary County is home to a comedy club in a tree fort. Located just off U.S. Highway 95 near Bonners Ferry, the Tower, billed by owner Rick Reed as the world's smallest comedy club, brings comedians from Seattle, Los Angeles, and other areas to perform on the last weekend of each month. Reed started the Tower as a tree house, which metamorphosed into an elaborate wooden fort with balconies, towers, lofts, patios, and hidden passages. Reed decided to use the fort as a comedy club with seating for up to 50 people.

Kootenai County

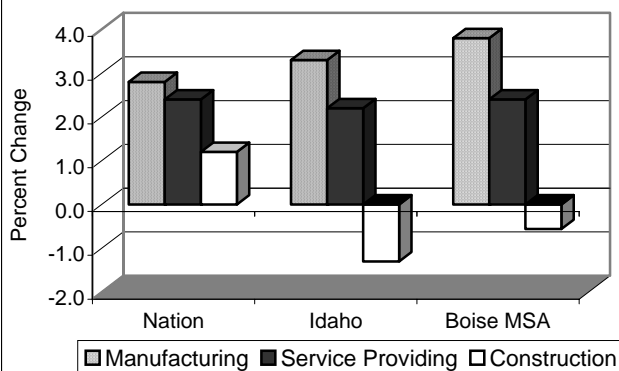
- Developer Rob Brewster currently is restoring buildings at 309 and 311 Maine Street in downtown Spirit Lake at a cost of \$500,000. When the project is complete, the buildings will include a 40-seat restaurant with a 20-seat outside dining area, a 1,750-square-foot antique store, and other retail businesses on the first level with six loft-style apartments above. The restaurant, expected to open later this year, will serve pasta, sandwiches, and a selection of microbrews and wines. Spirit Lake, located about 25 miles northwest of Coeur d'Alene, is home to 1,450 people.
- Rathdrum recently welcomed S.G.S. Fireplace Center at 6538 West Commerce Park Avenue. Owned by Carol and Randy Diemert, the store sells and installs air conditioning systems and gas, wood, and electric fireplaces.

Shoshone County

- Silver Mountain Resort in Kellogg now offers one more summertime attraction along with rides on the world's longest gondola, miles of biking and hiking

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FYI Chart 4: % Change in Average Weekly Wages* for Selected Industries from Calendar Year '02 to '03



*Preliminary Estimates

creased 1.3 percent and 0.6 percent respectively, while the average weekly wages for the nation increased 1.2 percent.

Idaho's statewide job growth in the *Service-Providing Industries* and *Construction*, coupled with the strong growth in *Manufacturing* in the Boise MSA, have helped Idaho slightly outpace the nation in job growth. However, Idaho's average weekly wage increase from 2002 to 2003 have lagged behind the nation due to minimal average weekly wage increases in the *Service-Providing Industries* and average weekly wage decreases in *Construction*.

Les Smart, Research Analyst, Senior
E-mail: lsmart@jobservice.us
317 W. Main Street, Boise, ID 83735
(208) 332-3570, ext. 3200

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trails, chairlift rides, and mountaintop concerts. Silver Velocity Paintball, which opened in June, is a short walk above the gondola's top. The paintball area's 19 inflatable air bunkers are easy to move, so the course can be changed often. The course also features two sandbag bunkers and multiple trees.

- This summer, Silver Mountain is open Wednesdays through Sundays, instead of Thursdays through Sundays as in past summers. Local store and restaurant owners say they are thrilled with the extra day of gondola operation because it is keeping more tourists in the Silver Valley.
- Avery, a village with 50 year-round residents, lies along the St. Joe River, which flows from the Bitterroot Mountains on the Montana border west toward St. Maries. Mountains cut Avery off from the Silver Valley of Shoshone County most of the year, so Avery looks to St. Maries, 37 miles away, for most of its goods and services.

While the Avery district makes up three-fifths of the acreage in Shoshone County, fewer than 500 people live there, while 12,500 people live in the northern part of Shoshone County. The other villages in the district are Calder, halfway between Avery and St. Maries, and Clarkia near Shoshone County's southwest corner.

The Avery School District 394 runs two elementary-middle schools in Calder and Avery. When children graduate from eighth grade, they attend high school in St. Maries. The Avery School District is Idaho's smallest with an enrollment of 29 students recorded in fall 2003.

Avery once was an important rail center. Since the Milwaukee Railroad abandoned the rail line in the early 1980s, its economy exclusively revolves around its forests. The U.S. Forest Service is the largest employer, while logging companies are the next largest source of jobs. Stores serve residents and the many people who come to enjoy the district's bounty of hunting, fishing, biking, hiking, kayaking, and snowmobiling opportunities. Altogether, there are 75 year-round jobs in the Avery district with a summer peak of 145 jobs.

Avery is drawing more visitors than ever because of its proximity to an entry point to the highly popular Route of the Hiawatha, the rails-to-trails project that opened in 1999 and extends along the old Milwaukee rail line northward to Lookout Pass on the Montana border, where it hooks up to Montana trails.

Avery's rail heritage pays off in other ways. During the last few years, the Avery Citizens Committee renovated the old Milwaukee Railroad depot. The depot, built in 1909, needed a new foundation, fresh siding, paint, floors, and a heating system. The depot serves as the community center, post office, museum, library, and meeting hall. The committee now is trying to renovate a 1948 Milwaukee Railroad car.

Kathryn Tacke, Regional Labor Economist
1221 W. Ironwood Drive, Coeur d'Alene, ID 83814
(208) 769-1558 ext. 340
E-mail: ktacke@cl.idaho.gov